

## **820 KAR 1:029. Facility licensees.**

RELATES TO: KRS 238.530(3), 238.555

STATUTORY AUTHORITY: KRS 238.515(2),(4), (9), 238.555(1), (2)

NECESSITY, FUNCTION, AND CONFORMITY: KRS 238.515(2) requires the Department of Charitable Gaming to establish reasonable standards for the conduct of charitable gaming and the operation of charitable gaming facilities. KRS 238.555(2) requires applicants for a charitable gaming facility license to complete a required application, and KRS 238.555(1) requires the department to establish a licensure fee not to exceed \$2,500. This administrative regulation establishes the fees and procedures for the licensing of facilities.

Section 1. Application for Licensure. (1) An applicant for a facility license shall submit a complete, accurate, and verifiable application on Form CG-4, Facility License Application, at least sixty (60) days prior to the expiration of its license or expected date of the operation of the facility.

(2) An application shall not be considered complete until all deficiencies are resolved.

(3) If the applicant does not file a written response to a deficiency request within thirty (30) days or does not provide a requested document, the application shall be deemed withdrawn.

(4) Once the department has received a complete application, it shall grant or deny the license within sixty (60) days.

(5) The department shall issue a license if the applicant has:

(a) Met the requirements for licensure set forth in KRS 238.555;

(b) Paid all fees and fines;

(c) Filed all reports required;

(d) Filed an acceptable financial plan, if required; and

(e) Complied with all terms and conditions of any applicable settlement agreement or probationary terms.

(6) Fingerprints shall be required for the chief executive officer, the chief financial officer, and anyone with a ten (10) percent or greater financial interest in the licensee.

Section 2. Information Required on License. A license issued by the Department of Charitable Gaming shall clearly state the:

(1) Name of the licensee;

(2) Physical address of the licensee;

(3) Address of the gaming facility, if different;

(4) Effective date of the license;

(5) Expiration date of the license;

(6) Type of license issued (facility); and

(7) Address of the Department of Charitable Gaming.

Section 3. Fees for Licensure. (1) The annual license fee for a charitable gaming facility conducting between nine (9) and eighteen (18) sessions per week shall be \$2,500. The annual license fee for a charitable gaming facility conducting no more than eight (8) sessions per week shall be \$1,250.

(2) A nonrefundable processing fee of twenty-five (25) dollars shall:

(a) Accompany each application for licensure; and

(b) Be credited against the amount of the annual license fee.

(3) An annual license shall not be issued until the annual license fee is paid in full.

(4) The annual license term shall be for one (1) year from the effective date of the license.

(5) A facility license shall be issued based on location of the gaming facility.

Section 4. Requirements of Licensee. (1) If there is no charge to the organizations for the listing, a facility shall be permitted to list on the facility Web site:

- (a) Names;
- (b) License numbers;
- (c) Gaming sessions; and
- (d) Information regarding the:

- 1. Organizations; and
- 2. Gaming session of the organizations that game at that facility.

(2) If a licensed charitable gaming organization contracts with a licensed facility to operate the concession stand, the members of that organization that volunteer at the concession stand may volunteer to work for their own gaming session, but shall not volunteer for the game of any other organization that games at that facility.

(3) A facility shall maintain a separate bank account for the facility operation that is not commingled with a personal account or another business account. If the licensee owns multiple facilities, a separate bank account shall be maintained for each facility. If separate businesses are operated out of the facility, including a check cashing service or a concession stand, each business shall have a separate account.

(4) Any payments received from a licensed charitable organization shall be by check drawn on the charitable gaming account or electronic fund transfer from the charitable gaming account.

(5) The lease agreement executed between the charitable gaming facility and licensed charitable organization may contain the day and time of each gaming occasion an organization will conduct at the facility. If the day and time are included in the lease agreement, the day and time listed in the lease agreement shall be accurate and shall match the day and time listed on the organization's charitable gaming license.

Section 5. Incorporation by Reference. (1) Form CG-4, "Facility License Application", 5/15, is incorporated by reference.

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Department of Charitable Gaming, Public Protection Cabinet, 132 Brighton Park Boulevard, Frankfort, Kentucky 40601, Monday through Friday, 8 a.m. to 4:30 p.m. (32 Ky.R. 800; 1640; eff. 3-31-2006; 33 Ky.R. 3514; eff. 8-31-2007; 40 Ky.R. 1470; 2136; eff. 4-4-2014; 42 Ky.R. 927; eff. 1-4-2016.)